

**Date: 06<sup>th</sup> September, 2019**

**To,**  
The Department of Corporate Services,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
**Mumbai – 400 001**

**Dear Sir,**

**Sub: Notice of 36th Annual General Meeting (AGM) and Annual Report of the Company  
for the F.Y. 2018-19, Scrip Code: 541633**

With reference to the subject cited above, please find the enclosed Notice convening the 36<sup>th</sup> AGM of the Company to be held on Monday, 30<sup>th</sup> September, 2019 at 3.00 P.M at the Registered Office of the Company situated at Flat No.401, D.No.6-3-1085/D, Dega Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500082, Telangana, India.

In order to comply with the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19.

This is for your information and necessary records.

Kindly take the same on record.

Thanking you,

**For Sophia Traexpo Limited**



**Yerrapragada Mallokarjuna Rao**  
**Chairman & Whole Time Director**  
**DIN: 00905266**



# **Annual Report 2018-19**

**Sophia Traexpo limited**

# SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

## CORPORATE INFORMATION

### **Board of Directors:**

Mr. YERRAPRAGADA MALLIKARJUNA RAO	Whole Time Director
Mr. SRINIVASARAO BOLLA	Independent Director
Mrs. LAKSHMI NEKKANTI SATYASRI	Independent Director
Mr.NAGESWARA RAO BALUSUPATI	Independent Director
Mr. YERRAPRAGADA MALLIKARJUNA RAO	Chief Finance Officer
Mr. VISHNU MOHAN CHOUDARY	Director up to 17.07.2018

### **Audit Committee:**

Mr. SRINIVASARAO BOLLA	Chairman
Ms. LAKSHMI NEKKANTI SATYASRI	Member
Mr. NAGESWARA RAO BALUSUPATI	Member

### **Nomination and Remuneration Committee:**

Mr. SRINIVASARAO BOLLA	Chairman
Ms.LAKSHMI SATYA SRI NEKKANTI	Member
Mr. NAGESWARA RAO BALUSUPATI	Member

### **Stakeholders Relationship Committee:**

Mr. SRINIVASARAO BOLLA	Chairman
Mr. LAKSHMI SATYA SRI NEKKANTI	Member
Mr. NAGESWARA RAO BALUSUPATI	Member

<b>Registered Office:</b>	Flat No.401, D.No. 6-3-1085/D, Dega Towers, Raj Bhavan Road, Somajiguda Hyderabad, Telangana, 500082 India.
<b>Auditors</b>	<b>NVSR &amp; Associates.,</b> Chartered Accountants, (Firm Registration No. 008801S/S200060), Hyderabad.
<b>Registrars &amp; Share Transfer Agents:</b>	Venture Capital and Corporate Investments Pvt. Ltd 12-10-167, Bharat Nagar, Hyderabad- 500018 Phones: 040-23818475 / 476Fax: 040-23868024; E-mail:info@vccilindia.com
<b>Listed At</b>	BSE Limited
<b>Internal Auditor</b>	Ms. Sravanti Karuturi Karutur – Chartered Accountant

## **SOPHIA TRAEXPO LIMITED**

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### **NOTICE**

Notice is hereby given that the **36<sup>th</sup> Annual General Meeting** of the Members of **M/s.SophiaTraexpo Limited** will be held on Monday, the 30<sup>th</sup> day of September, 2019 at 3.00 p.m. at Flat No.401, D.No. 6-3-1085/D, Dega Towers Raj Bhavan Road, Somajiguda Hyderabad, Telangana, 500082 India, to transact the following business.

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2019, including the audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a director in the place of Mr. Yerrapragada Mallikarjuna Rao (holding DIN:00905266) who retires by rotation and being eligible, offers himself for reappointment as a Director and the details are mentioned as Annexure -A.

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**

#### **Notes:**

1. **A member entitled to attend and vote at this Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
2. Members/proxies/authorized representatives are requested to bring their copies of Annual Report and produce duly filled in attendance slip at the entrance of the venue. Members holding shares in Demat form shall write their DP ID No. and Client ID and those holding in Physical form shall write their Folio No. in the attendance slip for attending the meeting. Copies of Annual Reports will not be provided at the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

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4. The Register of Members and Share Transfer books of the Company will remain closed from 27<sup>th</sup> September, 2019 to 30<sup>th</sup> September, 2019(both days inclusive) for the purpose of the AGM.
5. The International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE268X01017. Trading in the equity shares of the Company through Stock Exchanges was made compulsory in dematerialized form. Shareholders are advised to open demat accounts with any of the Depository Participants (DPs) of their choice registered with NSDL and CDSL and convert their physical holding into electronic holding.
6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts, so as to enable the Company to dispatch dividend warrants to their correct address. Members holding shares in physical form are requested to notify/send any change in their address and bank account details to the Company/Registrar and Share Transfer Agents, M/s Venture Capital and Corporate Investments Private Limited (VCCIPL). Members are encouraged to utilize Electronic Clearing System (ECS) for receiving dividends.
7. Non-Resident Indian Members are requested to inform VCCIPL, immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the Bank with pin code number, if not furnished earlier.
8. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
9. All relevant documents referred in the accompanying Notice and explanatory statement are Open for inspection to the Members at the Registered Office of the Company during business hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays up to the date of the AGM.
10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to VCCIPL.
11. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with VCCIPL/Depository Participant to enable the Company to send communications electronically.
12. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. Members may also note that the Notice of the 36th AGM and the Annual Report 2018-19 will be available on the Company's website, [www.sophiatraexpo.com](http://www.sophiatraexpo.com). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members desiring any information as regards accounts are requested to write to the Company to: [sophiatraexpolimited@gmail.com](mailto:sophiatraexpolimited@gmail.com), at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
14. Pursuant to the requirement under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the directors proposed to be re-appointed /

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appointed is given in the notice.

### 15. Instruction about Voting:

The Members are requested to opt for one mode of voting, i.e. either through e-voting or postal ballot. If a Member casts votes by both modes, then voting done through a valid e-Voting shall prevail and physical ballot form voting of that Member shall be treated as invalid. Please refer the following detailed instructions for both modes voting.

#### A) Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing Members a facility to exercise their right to vote at the Physical Ballot by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Select the “SOPHIA TRAEXPO LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) Enter your User ID - For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

**If you are a first time user follow the steps given below.**

<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (available in the Address Label pasted in the cover and/or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name.

eg. If your name is Rama with sequence number 1 then enter RA00000001 in the PAN Field.

#Please enter any one of the details in order to login. In case both the details are not recorded with the depository or

- (vii) After entering these details appropriately, click on “SUBMIT” tab.

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- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant **EVS** for **SOPHIA TRAEXPO LIMITED**.
- (xi) On the voting page, you will see Resolution Description and against the same the option "**YES/NO**" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
- I. The voting period begins on **27<sup>th</sup> September, 2019 at 9.00 A.M. and ends on 29<sup>th</sup> September, 2019 at 05.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as of **29<sup>th</sup> September, 2019 (i.e., the cut-off date)** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on **27<sup>th</sup> September, 2019**.
- IV. **N. Vanitha, Practicing Company Secretary (C.P. No: 10573)**, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- B) Other Instructions:**
- I. The Scrutinizer will collate the votes downloaded from the e-voting system to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.

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- II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.sophiatraexpo.com](http://www.sophiatraexpo.com).
- III. Members may address any query to Mr. YerrapragadaMallikarjunaRao, Whole Time Director of the company, Tel. No. 040- 23325227, e-mail address:[cs@sophiatraexpo.com](mailto:cs@sophiatraexpo.com), Website: [www.sophiatraexpo.com](http://www.sophiatraexpo.com).

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**



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### ANNEXURE - A

#### i) Mr. Yerrapragada Mallikarjuna Rao

Details of Directors seeking re-appointment at the Annual general meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standards on general meeting.

As required under this regulation, the particulars of Directors, **Mr. Yerrapragada Mallikarjuna Rao** who is proposed to be re-appointed, is given below:

<b>A</b>	Name	<b>Mr. Yerrapragada Mallikarjuna Rao</b>
<b>B</b>	Brief Resume	
	i. Age	53 years
	ii. Qualification	Graduation
	iii. Experience in specific functional area	25 years
	iv. Date of appointment on the Board of the Company	25 <sup>th</sup> December,2016
<b>C</b>	Nature of his expertise inspecific functional areas	He has an experience of 25 years in the Finance and Secretarial departments.
<b>D</b>	Terms and Conditions	As mentioned in the Resolution
<b>E</b>	Relationship between Directors inter se [as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014]	No relations to any other director
<b>F</b>	Names of other companies in which directorship held (as per Section 165 of the Companies Act, 2013):	1.Source Industries (India) Limited 2.AARV Infratel Limited
<b>G</b>	Name(s) of the companies in which committee Membership(s) held	NIL
<b>H</b>	No. of shares of ‘ 10/- each heldby the Directorhis relativesTotal	NIL
<b>I</b>	Last Remuneration drawn	NIL
<b>J</b>	No. of Board Meetings attendedduring the year	5 of 5

# SOPHIA TRAEXPO LIMITED

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## DIRECTOR'S REPORT

To

### **The Members,**

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report of 'Sophia Traexpo Limited' (the Company) together with the Audited accounts for the financial year ended 31<sup>st</sup> March 2019.

### **FINANCIAL RESULTS:**

The performance of the Company for the financial year ended 31<sup>st</sup> March 2019 is summarised below:

(Amount in Rs. Lakhs)

<b>PARTICULARS</b>	<b>Financial Year 2018-19</b>	<b>Financial Year 2017-18</b>
Total Revenue	122.22	72.92
Profit/loss Before Interest, Depreciation, Interest and Taxes	5.24	1.695
Depreciation / Amortization	0.448	(0.415)
Net Profit/Loss Before Tax	4.79	1.284
Provision for Taxation	1.23	0.331
Net Profit/Loss After Tax	3.55	0.953

### **COMPANY'S PERFORMANCE:**

During the year under review, your Company has recorded a gross total income of Rs.122.22 lacs as against 72.92 lacs in the previous year and recorded a net profit / Loss of Rs. 3.55 lacs. Due to operational and technical issues, your Company could not registered expected profit for the year under review.

### **OPERATIONS:**

During the year under review, your Company has achieved 122.22 lacs revenue from operations. Though the main activity of the Company which is to maintain and operate a paper unit commissioned in the previous year, due to technical issues plant was shut down and the same will be revived and restarted in the current year.

### **TRANSFER OF AMOUNT TO GENERAL RESERVE:**

The Company has not proposed to transfer any amount to the general reserve for the financial year ended 31<sup>st</sup> March, 2019.

### **DIVIDEND:**

The Board of directors does not recommend any dividend for the year as at 31st March 2019

### **LISTING OF EQUITY SHARES:**

The Company shares are listed in Bombay Stock Exchange.

### **DIRECTORS & KEY MANAGERIAL PERSONAL:**

In terms of the provisions of sub-section 152 of the act, 2013 two third of the total number of directors i.e., excluding IDs are liable to retire by rotation and out of which, one third is liable to retire by rotational every annual general meeting.

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**Mr. Yerrapragada Mallikarjuna Rao** (DIN:00905266), is liable to retire by rotation, at AGM and being eligible, offer themselves for re-appointment.

**Mr. Yerrapragada Mallikarjuna Rao**, Whole time director & Chief Financial Officer, Ms. Bora Sunitha, Company Secretary Membership No. A37473 (She resigned from the post Company Secretary on 15<sup>th</sup> July 2019) are KMP's of the company in terms of section 2(51) and Section 203 of the Companies Act, 2013 as on date of this Report.

### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration, from each Independent director under 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down under section 149(6) of the Companies Act 2013.

### **MEETINGS OF BOARD:**

5 (five) meetings of the Board of Directors were held during the year.

S.No	Date of the Meeting
1	30.05.2018
2	17.07.2018
3	05.09.2018
4	14.11.2018
5	14.02.2019

The maximum interval between any two meetings did not exceed 120 days.

### **STATUTORY AUDITORS:**

M/s NSVR & Associates LLP (Formerly known as Nekkanti Srinivasu & Co.), Chartered Accountants (Firm Regn. No. 008801S/S200060) has been appointed as the Statutory Auditors of the Company for a period of 5 years i.e. till the conclusion of 39<sup>th</sup> Annual General Meeting by the members of the Company subject to ratification by the members at their subsequent AGM as stipulated in Section 139 of the Companies Act, 2013. Whereas the provisions of Section 139 of the Companies Act, 2013 relating to ratification of appointment of auditors by the members has been omitted by the Companies (Amendment) Act, 2017, their appointment is valid till the conclusion of 39<sup>th</sup> AGM of the Company.

### **AUDITORS' REPORT**

There are no qualifications, reservations or adverse remarks made by M/s NSVR & Associates LLP (Formerly known as Nekkanti Srinivasu & Co.), Chartered Accountants (Firm Regn. No. 008801S/S200060), Statutory Auditors in their report for the Financial Year ended 31<sup>st</sup> March, 2019. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

### **INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee has re-appointed Ms. Sravanti Karuturi Chartered Accountant (Membership No. 239567 Hyderabad, as the Internal Auditor of your Company. The Internal Auditors are submitting their reports on quarterly basis.

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### **SECRETARIAL AUDITOR:**

M/s. P.S.Rao & Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules there-under. The secretarial audit report for FY 2018-19, is given in **Form No: MR - 3** is herewith annexed as **Annexure- I** attached hereto and forms part of this Report. The Board has appointed M/s. P.S.Rao & Associates, Practicing Company Secretaries, as secretarial auditors of the Company for the financial year 2018-19.

### **SECRETARIAL AUDIT REPORT**

There are no qualifications, reservations or adverse remarks made by M/s. P. S. Rao & Associates, Practicing Company Secretaries in their report for the Financial Year ended 31st March, 2019

### **RISK MANAGEMENT POLICY**

The Company has developed and implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is not applicable to the Company during the financial year 2018-19.

### **AUDIT COMMITTEE:**

The Board has constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee of the Company comprises the following Members Shri. SrinivasRaoBolla – Chairman, Shri. Lakshmi NekkantiSatya Sri - Member and Shri.NageswaraRaoBalusupati – Member.

All the recommendations made by the Audit Committee of the Company have been considered and accepted by the Board of Directors of the Company.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO:**

Information required under section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure- II**.

### **ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS.**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after considering the inputs received from the Directors, covering

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various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

### **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:**

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

### **SUBSIDIARIES:**

The Company has no subsidiaries as on 31st March, 2019. **Annexure- III.**

### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER MATTERS:**

#### **(a) Procedure for Nomination and Appointment of Directors:**

The Nomination and Remuneration Committee has been formed pursuant to and in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The remuneration determined for Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit sharing Commission and the Non-Executive Directors are entitled to sitting fees for the Board/Committee Meetings. The remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company.

The Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

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- (b) Familiarization/ Orientation program for Independent Directors: A formal familiarization program was conducted about the amendments in the Companies Act, 2013, Rules prescribed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

### **FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS: N.A.**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 and based on the representations received from the management, the directors hereby confirm that:

- i. In the preparation of the annual accounts for the financial year 2018-19, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- iii. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **VIGILANCE MECHANISM / WHISTLE BLOWER POLICY:**

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management

## **SOPHIA TRAEXPO LIMITED**

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concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the Financial Year 2018-19, Company has not entered significant related party transaction.

### **EXTRACT OF ANNUAL RETURN:**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is enclosed as “Annexure IV” to this report.

### **STATE OF AFFAIRS OF THE COMPANY**

The State of Affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as Annexure-V.

### **CORPORATE GOVERNANCE: N.A.**

Company is having paid up equity share capital of Rs. 5,10,00,000 which is not exceeding Rs.10 crore and Net worth is not exceeding Rs.25 crore, as on the last day of the financial year 2018-2019. Hence the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

### **PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as Annexure- VII.

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of ₹. 120 Lakhs or more, or employees who are employed for part of the year and in receipt of ₹. 8.50 Lakhs or more per month.

The Company does not have any employee who is employed throughout financial year or part thereof, who was in receipt of remuneration in financial year under review which in aggregate, or as the case may be, at a rate which in the aggregate is in excess of that drawn by the Managing Director or Whole time director and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the Company.

## **SOPHIA TRAEXPO LIMITED**

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### **HUMAN RESOURCES**

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators /Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2018-19 of the Company and the date of this report.

### **ACKNOWLEDGEMENTS:**

Your Directors wish to express their gratitude to the central and state government, investors, analysts, financial institutions, banks, business associates and customers, the medical profession, distributors and suppliers for their whole-hearted support. Your directors commend all the employees of your company for their continued dedication, significant contributions, hard work and commitment.

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**



# **SOPHIA TRAEXPO LIMITED**

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Annexure - I

## **FORM NO.MR-3**

### **SECRETARIAL AUDIT REPORT**

**For the Financial year ended 31<sup>st</sup> March, 2019**

**(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel)**

To  
The Members,  
**SOPHIA TRAEXPO LIMITED**  
Flat No.401, D.No. 6-3-1085/D,  
Dega Towers Raj Bhavan Road,  
Somajiguda Hyderabad,  
Telangana, 500082 India,

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Sophia Traexpo Limited**(herein after called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Sophia Traexpo Limited**, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and return field and other records maintained by **Sophia Traexpo Limited** for the Financial Year ended on **31<sup>st</sup> March, 2019** according to the provisions of:
  - i. The Companies Act, 2013 ( the Act) and the rules made thereunder;
  - ii. The Securities Contract ( Regulation) Act, 1956 (SCRA) and the rules made thereunder;
  - iii. The Depositories Act, 1996 and Regulations and Bye Laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial (Not applicable to the Company during the audit period);
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ( SEBI Act)
    - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
    - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST);
    - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009 (ICDR) and amendments from time to time;
    - (e) The Securities and Exchange Board of India Securities and Exchange Board of India (Share

## SOPHIA TRAEXPO LIMITED

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Based Employee Benefits) Regulations, 2014 (No instances for compliance requirements during the year);

- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No instances for compliance requirements during the year)
- (g) The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (No instances for compliance requirements during the year)
- (h) The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009 (No instances for compliance requirements during the year); and
- (i) The Securities and Exchange Board of India ( Buyback of Securities) Regulations, (No instances for compliance requirements during the year);

There is no other specific law which is applicable to the Company as the Company is operating as management consultant of a factory.

2. We have also examined compliance with the applicable clauses of the following and report that:
  - (a) Secretarial Standards SS-1 and SS-2 with respect to meetings of the board of directors and general meetings respectively issued and notified by The Institute of Company Secretaries of India which came into force w.e.f. 1st July, 2015 under the provisions of section 118(10) of the Act.
  - (b) During the period under review, the Company has complied with the provisions of the Companies Act, Rules, Secretarial Standards, etc. mentioned above except that *In case of filing of few forms/ returns with delay by paying additional amount.*
3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- (d) there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For P.S. Rao & Associates  
Practicing Company Secretaries**

**Date: 03rd September, 2019.**

**Place: Hyderabad**

Sd/-  
**N. Vanitha**  
M.No. 26859  
C.P. No.10573.

**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## **SOPHIA TRAEXPO LIMITED**

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**‘Annexure A’**

To  
The Members,  
**SOPHIA TRAEXPO LIMITED**  
Flat No.401, D.No. 6-3-1085/D,  
Dega Towers Raj Bhavan Road,  
Somajiguda Hyderabad,  
Telangana, 500082 India,

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For P.S. Rao & Associates  
Practicing Company Secretaries**

**Date: 03rd September, 2019.  
Place: Hyderabad**

**Sd/-  
N. Vanitha  
M.No. 26859  
C.P. No.10573.**

# **SOPHIA TRAEXPO LIMITED**

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**Annexure: II**

## **Conservation of energy, technology absorption, foreign exchange earnings and outgo**

(Particulars pursuant to the Companies (Accounts) Rules, 2014)

### **A. Conservation of Energy:**

Energy Conservation measure taken – “NIL”

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods -”NIL”

### **B. Technology Absorption:**

1. Efforts, in brief, made towards technology absorption, adoption and innovation: “NIL”

2. Benefits derived as a result of the above efforts, Ex; product improvement, cost reduction, product development, import substitution etc. : “NIL”

3. Import of technology : “NIL”

### **C. Research and Development:**

1. Specific areas in which R& D carried out by the Company : Nil

2. Benefits derived as a result of the above R& D : Nil

3. Future plan of action : Nil

4. Expenditure on R & D

a) Capital : Nil

b) Recurring : Nil

c) Total : Nil

d) Total Expenditure on R & D as a percentage of total turnover : Nil

### **A. Foreign Exchange Earnings and out go.**

Foreign Exchange earnings during the year is Rs. 0 (ZERO) & Outflow is Rs.0 (ZERO).

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**

# **SOPHIA TRAEXPO LIMITED**

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**Annexure-III**

## **Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### **Part “A”: Subsidiaries**

The Company has no subsidiaries.

### **Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**

# SOPHIA TRAEXPO LIMITED

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Annexure-IV

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.]

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	L21000TG1983PLC113227
2	Registration Date	27/04/1983
3	Name of the Company	SOPHIA TRAEXPO LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company.
5	Address of the Registered office & contact details	Flat No.401, D.No. 6-3-1085/D, Dega Towers Raj Bhavan Road, Somajiguda Hyderabad, Telangana, 500082 India.
6	Whether listed company	Yes. Bombay Stock Exchange
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Venture Capital and Corporate Investments Private Limited</b> 12-10-167, Bharat NagarHyderabad - 500018

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated): Nil

S.No	Name and Description of main products /services	% to total turnover of the company
1	Paper Industry	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Company is not having any Holding, Subsidiary and Associate Companies.

# SOPHIA TRAEXPO LIMITED

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## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### A. Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	2550000	2550000	50.00	2550000	0	2550000	50.00	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>0</b>	<b>2550000</b>	<b>2550000</b>	<b>50.00</b>	<b>2550000</b>	<b>0</b>	<b>2550000</b>	<b>50.00</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) Individuals ( Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>2550000</b>	<b>2550000</b>	<b>50.00</b>	<b>2550000</b>	<b>0</b>	<b>2550000</b>	<b>50.00</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	0	0	0	0	400000	0	400000	7.84	7.84
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	200000	200000	3.92	41914	46603	88517	1.74	(2.18)
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	2350000	0	2350000	46.07	2019133	42350	2061483	40.42	(5.65)
c) Others (specify)	0	0	0	0	0	0	0	0	0
i. Non Resident Indians	0	0	0	0	0	0	0	0	0
ii. Directors	0	0	0	0	0	0	0	0	0
iii. Clearing Members	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>2350000</b>	<b>200000</b>	<b>2550000</b>	<b>50.00</b>	<b>2461047</b>	<b>88953</b>	<b>2550000</b>	<b>50.00</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2350000</b>	<b>200000</b>	<b>2550000</b>	<b>50.00</b>	<b>2461047</b>	<b>88953</b>	<b>2550000</b>	<b>50.00</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>4900000</b>	<b>200000</b>	<b>5100000</b>	<b>100.00</b>	<b>5011047</b>	<b>88953</b>	<b>5100000</b>	<b>100.00</b>	<b>0</b>

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### (ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year 31.03.2018			Shareholding at the end of the year 31.03.2019			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encum bered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encum bered to total shares	
1.	NalluriSaiCharan	750000	14.70	0.00	750000	14.70	0.00	0
2.	NalluriAnmol	600000	11.76	0.00	600000	11.76	0.00	0
3.	PranithaNalluri	600000	11.76	0.00	600000	11.76	0.00	0
4.	RajaniNalluri	600000	11.76	0.00	600000	11.76	0.00	0
	<b>Total</b>	<b>2550000</b>	<b>50.00</b>	<b>50.00</b>	<b>2550000</b>	<b>50.00</b>	<b>0.00</b>	<b>0</b>

### C) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year 01.04.2018		Increase/ (Decrease)	Date	Reason	Cumulative Shareholding during the year (01.04.2018 To 31.03.2019)	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	NalluriSaiCharan	750000	<b>14.70</b>	0	0	0	750000	<b>14.70</b>
2	NalluriAnmol	600000	<b>11.76</b>	0	0	0	600000	<b>11.76</b>
3	PranithaNalluri	600000	<b>11.76</b>	0	0	0	600000	<b>11.76</b>
4	RajaniNalluri	600000	<b>11.76</b>	0	0	0	600000	<b>11.76</b>

There is no change in the Promoters shareholding during the year 2018-19



## SOPHIA TRAEXPO LIMITED

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### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name Of the Shareholder	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding End of the year 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Siva BhaskaraNarenPaturi	500000	9.80	500000	9.80
2	RLF Hotels& Resorts Limited	400000	7.84	400000	7.84
3	Koganti Ram Mohan Rao	300000	5.88	300000	5.88
4	RajeswariKoganti	300000	5.88	300000	5.88
5	ParvataneniVaralakshmi	150000	2.94	150000	2.94
6	Parvathaneni Siva Bhushana Prasad	150000	2.94	150000	2.94
7	SreejaNalluri	100000	1.96	100000	1.96
8	DommetiVenkateswaraRao	100000	1.96	100000	1.96
9	DeepthiGarikapati	100000	1.96	100000	1.96
10.	AakashnagDavuluri	50000	0.98	50100	0.98
11	D.V.V. Prasad Chadalawada	50000	0.98	50000	0.98
12	SaiKiranKotakonda	50000	0.98	50000	0.98
13	B.Sunitha	50000	0.98	50000	0.98
14	ChowdaryRaparla	50000	0.98	50000	0.98

### E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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### V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted ness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	2500000	0	25,00,000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>25,00,000</b>	<b>0</b>	<b>25,00,000</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	0	0	0
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	25,00,000	0	25,00,000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	<b>25,00,000</b>	0	<b>25,00,000</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **2,60,000**

B. Remuneration to other directors: **Nil**

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD: **Nil**

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry Structure & Development:**

Paper production in India includes several types which are regularly and largely used in printing and packaging, writing, and a few specialty papers. Paper for printing and writing come as copier paper, super printing paper, bond paper, creame wove paper, map litho paper (surface size and non-surface), coating base paper and others. Paper for packaging includes boards, Kraft paper, posters and others. Other varieties are chromo paper/board, art paper/board and others. In India there are approximately 600 paper mills among which twelve are major players and also world renowned.

In India of total paper production 40% is from hardwood and bamboo fiber 30% is from agro waste other 30% from recycled material. Paper used for publications and Newsprint counts to 2 million tonnes. 1.2 million tonnes of newsprint are manufactured and the remaining is imported from other producers. It means that, about 40% of newsprint is brought in from outside the country.

The paper industry in India can be made more competitive by improving key sea ports, airways, road, railways and communication facilities. Plantations have to be raised by whatever means like industry, cooperative farmers and state governments to support wood based paper industry. For this the forest policy has to be accordingly revised. Degraded forest lands can be used to raise wood pulp plantations. Custom Duties on waste paper imports might be reduced, new & second hand machinery/equipment imports should be allowed duty free for a simpler and affordable technology up gradation.

Paper made products like filter paper, tea bags, tissue paper, medical grade coated paper, light weight online coated paper etc. are significantly rising in terms of usage in Indian markets hence Paper industry in India can look an extremely positive intent ahead.

**Weakness and Threats:**

Competitive strengths -

Large and growing domestic paper market -

Some competitive paper companies in newsprint, carton board and coated wood free

-Relatively low personnel and fuel costs (although personnel productivity is lower than in many competing countries and the quality of coal varies)

-Up to date research institute (CPPRI)

-Know how in non wood pulping and applications -

Well developed printing industry

-Local market knowledge

**Risk and Concerns:**

Your Company identified various risks and implemented its Mitigation Plans. Risk Policy and monitored frame works has been approved by the Audit Committee and the Board of Directors of the Company. Risk reporting and monitoring is being conducted regularly at all the operation levels and reporting directly to the Audit Committee and the Board

**Discussion on Financial Performance with respect to Operational Performance:**

**Internal Control:**

## **SOPHIA TRAEXPO LIMITED**

(Formerly Known as Sophia Finance Limited)

The Company has proper and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The internal control system provides for well documented policies, guidelines, authorizations approvals and procedures. The observations arising out of audit are subject to periodic review, compliance and monitoring. The significant observations, made in internal audit reports, along with the status of action thereon are reviewed by the Audit Committee of the Board of Directors on a regular basis for future appropriate action, if deemed necessary.

### **Performance Review**

Discussion on Financial Performance with respect to Operational Performance:

1. **Total Income:** During the year under review Sophia Traexpo Limited has achieved a gross total income of **Rs. 1,22,22,675**

2. **Share Capital:**

The paid up share capital as on 31st March, 2019 is **5,10,00,000/-** divided into 51,00,000 fully paid-up equity shares of Rs.10/- each

3. **Net Profit:**

The Company's operating Profit is **Rs. 3,55,997** during the year.

4. **Earnings Per Share (EPS):**

The Earning per Share for the Financial Year 2018-19 is **0.07**

Your directors are putting continuous efforts to increase the performance of the Company and are hopeful that the performance in coming year will overcome from the present situation.

### **Human resource:**

Your company recognizes that the human resources are the most crucial factor for achieving sustained growth over the years. The management considers it's highly motivated and passion driven work force as its partner in the growth of the company.

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**

# SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

Annexure-VII

## PARTICULARS OF EMPLOYEES

[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i) The percentage of increase in remuneration of each Director and Chief Financial Officer during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director/ KMP and Designation	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	The Percentage increase in remuneration of each director, CFO, CEO in the financial year
1	Yerrapragada Mallikarjuna Rao	2,60,000 P.A	NIL

- ii) In the financial year, there was an increase of NIL % in the median remuneration of employees;
- iii) There were NIL employees on the rolls of Company as on March 31, 2019;
- iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was NIL % whereas the decrease/ increase in the managerial remuneration for the same financial year was NIL%.
- v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

### A) Employees in the terms of Remuneration:

S. No.	Employee name	Designation	Educational qualification	Age	Experience	Date of Joining	Gross remuneration paid	Previous employment and designation, If any	No. Shares held, If any
1	Yerrapragada Mallikarjuna Rao	WTD & CFO	Graduation	54	25years	25.12.2016	2,60,000 P.A	NA	-
2	B.Sunitha	Company Secretary		34	5 years	19.10.2017	2,40,000 P.A	NA	-

For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED

Date: 03rd September, 2019

Place: Hyderabad.

Sd/-

YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)

## **SOPHIA TRAEXPO LIMITED**

(Formerly Known as Sophia Finance Limited)

### **CEO/CFO CERTIFICATION**

**We, Yerrapragada Mallikarjuna Rao, Whole Time Director, to the best of my knowledge and belief, certify that:**

- a. I have reviewed the financial statements including cash flow statement (standalone) for the financial year ended March 31, 2019 and to the best of our knowledge and belief :
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. I have indicated to the auditors and the Audit Committee:
  - i) significant changes in the internal control over financial reporting during the year;
  - ii) Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board  
For SOPHIA TRAEXPO LIMITED**

**Date: 03rd September, 2019**

**Place: Hyderabad.**

**Sd/-  
YERRAPRAGADA MALLIKARJUNA RAO  
Chairman & Whole Time Director  
(DIN: 00905266)**

# SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SOPHIA TRAEXPO LIMITED

#### Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of **SOPHIATRAEXPO LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the Matter was addressed in Audit
<p><b>1. Revenue recognition</b></p> <p>As described in Note 2.2 to the financial statements, the Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period.</p>	<p><u>Principal Audit Procedures</u></p> <p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new Accounting Standard, include</p> <ul style="list-style-type: none"><li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new Accounting Standard;</li><li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li></ul>

## SOPHIA TRAEXPO LIMITED

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Key Audit Matter	How the Matter was addressed in Audit
Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	<ul style="list-style-type: none"><li>● Evaluated the cumulative effect adjustments as at 1<sup>st</sup> April, 2018 for compliance with the new Accounting Standard; and</li><li>● Evaluated the appropriateness of the disclosures provided under the new accounting standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li></ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion there on.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.



## **SOPHIA TRAEXPO LIMITED**

(Formerly Known as Sophia Finance Limited)

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the Accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of

## SOPHIA TRAEXPO LIMITED

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our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Companies Act 2013, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and Statement of Profit and Loss and Cash flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There are no pending litigations for or against the Company which would impact its financial position.

## **SOPHIA TRAEXPO LIMITED**

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- ii) The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.
- iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

**For NSVR & ASSOCIATES LLP.**

Chartered Accountants  
(FRN No.008801S/S200060)

**R Srinivasu**

Partner

M.no:224033

Date:27/05/2019  
Place: Hyderabad.

## **SOPHIA TRAEXPO LIMITED**

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### **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SOPHIA TRAEXPOLIMITED (seven date)

Report on the Internal Financial Controls Over Financial Reporting under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **SOPHIA TRAEXPO LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of internal financial Controls over Financial reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purpose in accordance with generally accepted accounting principles. A company’s internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

## **SOPHIA TRAEXPO LIMITED**

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of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and(3)provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls OverFinancial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion:**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**For NSVR & ASSOCIATES LLP.**

Chartered Accountants  
(FRN No.008801S/S200060)

**R Srinivasu**  
Partner  
M.no:224033

Date:27/05/2019  
Place: Hyderabad.

## **SOPHIA TRAEXPO LIMITED**

(Formerly Known as Sophia Finance Limited)

### **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SOPHIA TRAEXPO LIMITED of even date)

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed Provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. As explained to us, the company does not have physical inventory. Thus, paragraph 3(ii) of the Order is not applicable to the company
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other Parties covered in the register maintained under section 189 of the Companies Act. Thus, Clause 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

## **SOPHIA TRAEXPO LIMITED**

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- viii. Based on our Audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.
- ix. Money raised by way of term loan were applied for the purpose for which it was raised. The Company has not raised moneys by way of initial public offer or further public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For NSVR & ASSOCIATES LLP.**

Chartered Accountants  
(FRN No.008801S/S200060)

**R Srinivasu**

Partner

M.no:224033

Date:27/05/2019

Place: Hyderabad.

# SOPHIA TRAEXPO LIMITED

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## Balance Sheet as at 31st March 2019

(Amount in Rs. )

Particulars	Notes to	As At	As At
	Accounts	31.03.2019	31.03.2018
	Audited	Audited	Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property plant and Equipment</b>	2.1	48,259	79,631
		<b>48,259</b>	<b>79,631</b>
<b>Current Assets</b>			
<b>Financial assets</b>			
Trade Receivables	2.2	12,880,311	7,960,328
Cash and Cash equivalents	2.3	15,762,266	16,209,260
Other financial assets	2.4	16,914,634	15,285,760
<b>Other current assets</b>	2.5	16,126,119	15,069,694
		<b>61,683,330</b>	<b>54,525,042</b>
<b>TOTAL</b>		<b>61,731,589</b>	<b>54,604,673</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity Share Capital</b>	2.6	51,000,000	51,000,000
<b>Other Equity</b>	2.7	735,186	379,190
		<b>51,735,186</b>	<b>51,379,190</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	2.8	2,500,000	2,500,000
<b>Defferred tax liability</b>	2.9	6,103	8,104
		<b>2,506,103</b>	<b>2,508,104</b>
<b>Current liabilities</b>			
Financial Liabilities			
<b>Other Financial Liabilities</b>			
<b>Provisions</b>	2.10	218,777	28,773
<b>Other Current Liabilities</b>	2.11	7,271,522	688,606
		<b>7,490,299</b>	<b>717,379</b>
<b>TOTAL</b>		<b>61,731,589</b>	<b>54,604,673</b>

The notes form an integral part of these financial statements 2.1 to 2.19

As per our report of even date  
**For NSVR & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No. 008801S/S200060

For and on behalf of Board  
**SOPHIA TRAEXPO LIMITED**

Sd/-  
**R.Srinivasu**  
Partner  
M No. 224033

Sd/-  
**Lakshmi Nekkanti Satya Sri**  
Director  
DIN:07223878

Sd/-  
**Y.Mallikarjun Rao**  
Whole time Director  
DIN:00905266

Place:Hyderabad  
Date:27.05.2019

Sd/-  
**Bora Saunita**  
Company Secretary  
M.No.A37473



# SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

Statement of Profit and Loss for the Year Ended 31st March 2019			
(Amount in Rs. )			
Particulars	Note No	Year ended March 31,2019	Year ended March 31,2018
<b>Income</b>			
Revenue from operations	2.13	10,775,380	7,126,903
<b>Total Revenue from operations</b>		<b>10,775,380</b>	<b>7,126,903</b>
Other income	2.14	1,447,295	165,205
<b>Total Income</b>		<b>12,222,675</b>	<b>7,292,108</b>
<b>Expenses</b>			
Cost of materials consumed	2.15	9,019,194	-
Changes in inventories		-	-
Employee benefits expense	2.16	1,180,000	1,668,774
Finance costs		-	-
Depreciation and amortization expense	2.1	44,872	41,519
Other expenses	2.17	1,499,178	5,453,321
<b>Total Expenses</b>		<b>11,743,244</b>	<b>7,163,614</b>
<b>Profit before tax</b>		<b>479,431</b>	<b>128,494</b>
<b>Tax expense</b>			
(1) Current tax	2.18	125,435	25,061
(2) Deferred tax	2.19	-2,001	8,104
<b>Net Profit for the Period</b>		<b>355,996</b>	<b>95,329</b>
Other comprehensive income (OCI)			
(a) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Tax on items that will not be reclassified to profit or loss		-	-
(b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive income</b>		<b>355,996</b>	<b>95,329</b>
Earnings per equity share (Face value of Rs.10/- each)			
(1) Basic		0.07	0.04
(2) Diluted		0.07	0.04

The notes form an integral part of these financial statements 2.1 to 2.19

As per our report of even date  
**For NSVR & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No. 008801S/S200060

For and on behalf of Board  
**SOPHIA TRAEXPO LIMITED**

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DIN:07223878

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Whole time Director  
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Place:Hyderabad  
Date:27.05.2019

Sd/-  
**Bora Saunita**  
Company Secretary  
M.No.A37473

# SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

Cash Flow Statement For the Period Ended 31st March 2019		
(Amount in Rs. )		
Particulars	As At 31.03.2019	As At 31.03.2018
<b>Cash Flows from Operating Activities</b>		
Net profit before tax	479,431	128,494
Adjustments for :		
Interest income	(1,447,295)	(165,205)
Depreciation and amortization expense	44,872	41,519
Operating profit before working capital changes	<b>(922,992)</b>	<b>4,808</b>
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	(4,919,983)	(6,069,088)
(Increase)/Decrease in Other financial assets	(1,628,874)	(15,285,760)
(Increase)/Decrease in Other Current Assets	(1,056,425)	(14,734,992)
Increase/(Decrease) in Other financial liabilities	-	388,502
Increase/(Decrease) in Other Current liabilities	6,582,916	290,104
Increase/(Decrease) in Provisions	64,568	-
Changes in Working Capital	(957,798)	(35,411,234)
Cash generated from operations	(1,880,790)	(35,406,426)
Direct Taxes Paid	-	-
<b>Net Cash from operating activities (A)</b>	<b>(1,880,790)</b>	<b>(35,406,426)</b>
<b>Cash flows from Investing Activities</b>		
Purchase of Fixed Assets (Including CWIP)	(13,500)	(121,150)
Sale of Fixed Assets		-
Interest income	1,447,295	165,205
<b>Net Cash used in Investing Activities</b>	<b>1,433,795</b>	<b>44,055</b>
<b>Cash flows from/(used in) Financing Activities</b>		
Proceeds from issue of shares	-	49,000,000
Proceeds from Long term borrowings	-	2,500,000
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>51,500,000</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(446,994)</b>	<b>16,137,629</b>
Cash and Cash equivalents at the beginning of the year	16,209,260	71,631
Cash and Cash equivalents at the ending of the year (Refer Note 2.3)	15,762,266	16,209,260

## Notes :-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements".(Ind AS-7)
2. The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**For NSVR & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No. 008801S/S200060

For and on behalf of Board  
**SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**R.Srinivasu**  
Partner  
M No. 224033

**Sd/-**  
**Lakshmi Nekkanti Satya Sri**  
Director  
DIN:07223878

**Sd/-**  
**Y.Mallikarjun Rao**  
Whole time Director  
DIN:00905266

Place:Hyderabad  
Date:27.05.2019

**Sd/-**  
**Bora Saunita**  
Company Secretary  
M.No.A37473

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### 1.1 Auditors Remuneration

(Amount in Rs. )

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Audit fees	50,000	25,000
b) Other charges		
Taxation matters	-	-
Other matters	-	-
c) Reimbursement of out of pocket expenses	-	-
<b>TOTAL</b>	<b>50,000</b>	<b>25,000</b>

### 1.2 Earnings per Share

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Earnings</b>		
Profit attributable to equity holders	<b>3,55,996</b>	<b>95329</b>
<b>Shares</b>		
Number of shares at the beginning of the year	51,00,000	2,00,000
Add: Equity shares issued	-	49,00,000
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	51,00,000	51,00,000
<b>Weighted average number of equity shares outstanding during the year – Basic</b>	<b>51,00,000</b>	<b>24,95,616</b>
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
<b>Weighted average number of equity shares outstanding during the year – Diluted</b>	<b>51,00,000</b>	<b>24,95,616</b>
Earnings per share of par value Rs.10/- – Basic ( ‘ )	0.07	0.04
Earnings per share of par value Rs.10/- – Diluted ( ‘ )	0.07	0.04

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### 1.3 Related Parties

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Management Personnel. List of Key Management Personnel of the Company is as below:

S.No.	Name of the Related Party	Nature of Relationship
1	YERRAPRAGADA MALLIKARJUNA RAO	Key Managerial Person
2	SRINIVASARAO BOLLA	Key Managerial Person
3	LAKSHMI SATYASRI NEKKANTI	Key Managerial Person
4	NAGESWARA RAO BALUSUPATI	Key Managerial Person
5	BORA SUNITHA	Company Secretary

The following is a summary of significant related party transactions:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>a) Key managerial personnel</b>		
Remuneration & Commission		
Mr.YERRAPRAGADA MALLIKARJUNA RAO	2,60,000	2,60,000
Mr.BORA SUNITHA	2,40,000	2,40,000
<b>b) Non-whole time Directors</b>		
<b>c) Relatives of Key Managerial Personnel</b>		
<b>TOTAL</b>	<b>5,00,000</b>	<b>5,00,000</b>

### 1.4 Earnings/expenditure in foreign currency:

#### Expenditure in Foreign currency:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Purchase of Intangible Assets	-	-
Professional Fees	-	-
Other expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Earnings in Foreign currency:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
FOB Value of Exports	-	-.
Dividend	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### 1.5 Segment Reporting:

The Company concluded that there is only one operating segment i.e., Paper and paper related Products. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are not applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

### 1.6 Income Taxes:

#### a. Income tax expense/ (benefit) recognized in the statement of profit and loss:

Income tax expense/ (benefit) recognized in the statement of profit and loss consists of the following:

(Amount in Rs. )

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current taxes expense		
Domestic	1,25,435	25,061
Mat Credit Entitlement		
Deferred taxes expense/(benefit)	-2001	8104
Domestic	-	-
Total income tax expense/(benefit) recognized in the statement of profit and loss	<b>1,23,435</b>	<b>33,165</b>

#### b. Reconciliation of Effective tax rate:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before income taxes	<b>4,79,431</b>	<b>1,28,494</b>
Enacted tax rate in India	<b>25.75%</b>	<b>25.75%</b>
Computed expected tax benefit/(expense)	<b>1,23,453</b>	<b>33070</b>
Effect of:		
Expenses not deductible for tax purposes	<b>11,554</b>	<b>10691</b>
Expenses deductible for tax purposes	<b>-9,573</b>	<b>(18718)</b>
Income tax benefit/(expense)	<b>1,25,435</b>	<b>25,043</b>
Effective tax rate (a)	<b>26.16%</b>	<b>19.50%</b>

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### c. Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Deferred tax assets/(liabilities):		
Property, plant and equipment	(2001)	8104
Net deferred tax assets/(liabilities)	<b>(2001)</b>	<b>8104</b>

### d. Movement in deferred tax assets and liabilities during the year ended 31<sup>st</sup> March 2019 & 2018:

Particulars	As at 1 April 2018	Recognized in statement of profit and loss	Recognized in equity	As at 31 March 2019
Deferred tax assets/(liabilities)				
Property, plant and equipment	8104	-2001	-	6103
Net deferred tax assets/(liabilities)	-	-	-	-

### 1.8 Investments:

Investments consist of investments in equity shares of.

The details of such investments as of 31<sup>st</sup> March 2019 are as follows:

(Amount in INR Lakhs)

Particulars	Cost	Gain recognized directly in equity	Gain recognized directly in profit and loss account	Fair value
Non-current Investments				
Total	-			-

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### 1.9 Financial Instruments:

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	Mar-19	Mar-18	Mar-19	Apr-18
<b>Financial assets</b>				
Cash and cash equivalents	1,57,62,266	1,62,09,260	1,57,62,266	1,62,09,260
Investments				
Trade receivables	1,28,80,311	91,50,000	1,28,80,311	91,50,000
Other financial assets	1,69,14,634	1,53,34,445	1,69,14,634	1,53,34,445
<b>Total</b>	<b>4,55,57,211</b>	<b>4,06,93,705</b>	<b>4,55,57,211</b>	<b>3,95,04,033</b>
<b>Financial liabilities</b>				
Trade payables				
Other financial liabilities	25,00,000	25,00,000	25,00,000	25,00,000
<b>Total</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>

As per our report of even date  
**For NSVR & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No. 008801S/S200060

For and on behalf of Board  
**SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**R.Srinivasu**  
Partner  
M No. 224033

**Sd/-**  
**Lakshmi Nekkanti Satya Sri**  
Director  
DIN:07223878

**Sd/-**  
**Y.Mallikarjun Rao**  
Whole time Director  
DIN:00905266

Place:Hyderabad  
Date:27.05.2019

**Sd/-**  
**Bora Saunita**  
Company Secretary  
M.No.A37473

# SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

## 1.10 NOTES TO FINANCIAL STATEMENTS

### DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

#### A. General Information

Sophia Traexpo Limited (the company) is engaged in Manufacturing, Trading of paper and paper related products and also services incidental there to . The Company is a public limited company incorporated and domiciled in India and has its registered office at Somajiguda, Hyderabad, Telangana. The Company has its primary listings on the Bombay Stock Exchange. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation and presentation of Financial Statements

The financial statements of Sophia Traexpo Limited (“Sophia” or “the Company”) have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

#### Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for certain impairment of trade receivables as per expected credit loss model in balance sheet.

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

#### B. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgments are:

i) Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

ii) Provision and contingencies

Provisions and contingencies are based on the Management’s best estimate of the liabilities based on the facts known at the balance sheet date.

iii) Fair valuation

Fair value is the market-based measurement of observable market transaction or available market information.



## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### C. Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest rupees.

### D. Current and noncurrent classification

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, Presentation of financial statements.

*Assets:* An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

*Liabilities:* A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current.

### Significant Accounting Policies

#### 1) Property Plant & Equipment

Transition to Ind AS

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of April 1, 2016 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

#### *Recognition and measurement*

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

### Depreciation

Depreciation is recognized in the statement of profit and loss on a written down value basis over the estimated useful lives of property, plant and equipment based on Schedule II to the Companies Act, 2013 (“Schedule”), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on prorata basis.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Computers	3

## 2) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial Assets at amortized cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets at fair value through profit or loss (FVTPL)
- Impairment of financial assets

#### Financial Assets at amortized cost

A Financial Asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by considering any discount or premium

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss.

### Financial Assets at FVTOCI

A Financial Asset is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the statement of profit and loss. Interest earned whilst holding FVTOCI is reported as interest income using the EIR method.

### *Financial Assets at FVTPL*

FVTPL is a residual category for Financial Assets. Any asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. These include surplus funds invested in mutual funds.

### **Impairment of trade receivables**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration deviation of receivables turnover ratio from normal credit period.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Financial liabilities**

#### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

#### *Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

### **3) Inventories**

Inventories consist of goods and are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares, that do not qualify to be recognised as property, plant and equipment, consists of packing materials, engineering spares (such as machinery spare parts) and consumables which are used in operating machines or consumed as indirect materials in the manufacturing process. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

### **4) Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 5) Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, “short-term” means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits and unclaimed dividend balances shall be disclosed as restricted cash balances.

### 6) Employee Benefits

#### *Short term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### *Termination benefits*

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

### 7) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are

## SOPHIA TRAEXPO LIMITED

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determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### *Contingent liabilities*

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### *Contingent assets*

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## 8) Revenue Recognition

Sale of goods and services

Sale of goods

Revenue from the sale of goods shall be recognized when all the following conditions have been satisfied: (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods; (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (c) the amount of revenue can be measured reliably; (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the end of the reporting period.

## 9) Tax Expenses

Tax expense consists of current and deferred tax.

### *Income Tax*

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### *Deferred Tax*

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax

## **SOPHIA TRAEXPO LIMITED**

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liabilities and assetson a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not consideredas tax expense for the Company and all such taxes are recognized in the statement of changes in equity as part of the associateddividend payment.

### **10) Earnings Per Share**

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **11) Trade receivables**

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

### **12) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured atamortized cost using the effective interest method.

As per our report of even date  
**For NSVR & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No. 008801S/S200060

For and on behalf of Board  
**SOPHIA TRAEXPO LIMITED**

**Sd/-**  
**R.Srinivasu**  
Partner  
M No. 224033

**Sd/-**  
**Lakshmi Nekkanti Satya Sri**  
Director  
DIN:07223878

**Sd/-**  
**Y.Mallikarjun Rao**  
Whole time Director  
DIN:00905266

Place:Hyderabad  
Date:27.05.2019

**Sd/-**  
**Bora Saunita**  
Company Secretary  
M.No.A37473

# SOPHIA TRAXPO LIMITED

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## Depreciation

### 2. 1 Notes

(Amount in Rs. )

	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	Balance as at 1 <sup>st</sup> April 2018	Additions	Disposals	Balance as at 31 <sup>st</sup> March 2019	Balance as at 1 <sup>st</sup> April 2018	Depreciation charge for the year	On disposals	Balance as at 31 <sup>st</sup> March 2019	Balance as at 31 <sup>st</sup> March 2018
Fixed Assets									
Tangible Assets	121,150	13,500	-	134,650	41,519	44,872	-	48,259	79,631
Computer									
<b>Total</b>	<b>121,150</b>	<b>13,500</b>	<b>-</b>	<b>134,650</b>	<b>41,519</b>	<b>44,872</b>	<b>-</b>	<b>48,259</b>	<b>79,631</b>



**SOPHIA TRAEXPO LIMITED**

(Formerly Known as Sophia Finance Limited)

**Notes to financial statements for the year ended**  
**(All amounts in Rupees except for share data or otherwise stated)**

(Amount in Rs. )

Particulars	As at	As at
	31.03.2019	31.03.2018
	Current	Current
<b>Note 2.2</b>		
<b>Trade Receivables</b>		
Unsecured, considered good	12,880,311	7,960,328
<b>Less:Bad debts Written off</b>	-	-
<b>Total</b>	<b>12,880,311</b>	<b>7,960,328</b>
<b>Note 2.3</b>		
<b>Cash and cash equivalents</b>		
(a) Balances with banks		
-Current Account	15,282,788	15,734,566
(b) Cash in hand	479,478	474,694
<b>Total</b>	<b>15,762,266</b>	<b>16,209,260</b>

Particulars	31 st March 2019		31 st March 2018	
	Current	Non Current	Current	Non Current
<b>Note 2.4</b>				
<b>Other Financial Assets</b>				
Rental Deposits	-	185,760	185,760	-
Inter corporate deposits	-	16,728,874	15,100,000	-
Loans and Advances	-	-	0.00	-
<b>TOTAL</b>	<b>-</b>	<b>16,914,634</b>	<b>15,285,760</b>	<b>-</b>
<b>Note 2.5</b>				
<b>Other Current Assets</b>				
(i) TDS receivables	265,429		120,699	
(ii) GST	369,004		294,519	
(iii) Mat Credit Entitlement	-			
(iv) Advance tax	348,222		334,702	
Short Term Advances				
Advances for materials and others	15,143,465		14,319,774	
<b>TOTAL</b>	<b>16,126,119</b>	<b>-</b>	<b>15,069,694</b>	<b>-</b>

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

**Notes to financial statements for the year ended**  
**(All amounts in Rupees except for share data or otherwise stated)**

**Cash and Cash Equivalents include the following for Cash flow purpose (Amount in Rs. )**

<b>Particulars</b>	<b>31 st March 2019</b>	<b>31 st March 2018</b>
Cash and Cash Equivalents/ Bank Balances	1,57,62,266	1,62,09,260
Less: Unclaim dividend	-	-
<b>Cash and Cash Equivalents/ Bank Balances</b>	<b>1,57,62,266</b>	<b>1,62,09,260</b>

<b>Share Capital</b>	<b>31 st March 2019</b>		<b>31 st March 2018</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
<b>Note 2.6</b>				
<b>Authorised</b>				
Equity Shares of ‘ 10/-each Issued, Subscribed & Paid up	6,000,000	60,000,000	6,000,000	60,000,000
Equity Shares of ‘ 10/- paid up each	5,100,000	51,000,000	5,100,000	51,000,000
<b>Total</b>	<b>5,100,000</b>	<b>51,000,000</b>	<b>5,100,000</b>	<b>51,000,000</b>

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

<b>Particulars</b>	<b>31 st March 2019</b>		<b>31 st March 2018</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	5,100,000	51,000,000	200,000	2,000,000
Shares Issued during the year	-	-	4,900,000	49,000,000
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>5,100,000</b>	<b>51,000,000</b>	<b>5,100,000</b>	<b>51,000,000</b>

### 2.11.2 Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### Note 2.7

#### Statement of changes in equity

##### Sophia Traexpo Limited

#### Statement of changes in equity for the period ended 31.03.2019

(Amount in Rs. )

Equity share capital	Opening balance as at 1st april 2018	Changes in equity share capital during the year	Closing balance as at 31 Mar 2019
6000000 Equity Shares of Rs.10 each, fully paid up	60,000,000	-	60,000,000
<b>Total</b>	<b>60,000,000</b>		<b>60,000,000</b>

Equity share capital	Opening balance as at 1st april 2018	Changes in equity share capital during the year	Closing balance as at 31 Mar 2019
5100000 Equity Shares of Rs.10 each, fully paid up	51,000,000		51,000,000
<b>Total</b>	<b>51,000,000</b>		<b>51,000,000</b>

Particulars	RETAINED EARNINGS
Balance as at 1/4/2018	379,190
Profit for the Period Ended 31.03.2019	355,996
<b>Balance as at 31.03.2019</b>	<b>735,186</b>

### Note 2.8

#### Unsecured Borrowings

Particulars	31 st March 2019		31 st March 2018	
	Currnet	Non Current	Currnet	Non Current
Inter corporate deposits	-	2500000	2,500,000	-
<b>Total</b>	<b>-</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>-</b>

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

### Note 2.9

#### Deffered Tax

(Amount in Rs. )

Particulars	31-03-2019	31-03-2018
Details of Deferred Tax For the FY 2017-18		
WDV of Assets under Companies act	48,259	79,631
WDV of Assets under Income Tax Act	24,784	48,460
Timing Differences	23,475	<b>31,171</b>
Preliminary Expenses	-	-
Deferred Tax Liablity	6,103	<b>8,104</b>
Deferred Tax Already Provided	8,104	-
Deferred Tax To Be Provided in P&L	-2,001	<b>8,104</b>
<b>Total</b>	<b>-2,001</b>	<b>8,104</b>

### Note 2.10

#### Short term provisons

Particulars	31-03-2019	31-03-2018
Provision for tax	154,209	28,773
TDS Payable	34,568	-
Salaries Payable	30,000	-
<b>Total</b>	<b>218,777</b>	<b>28,773</b>

### Note 2.11

#### Other Financial liabilities

Particulars	31 st March 2019		31 st March 2018	
	Currnet	Non Current	Currnet	Non Current
(i) Creditors for Expenses	10,000		373,502	
(ii) Audit fee payable	70,000		25,000	
(iii) Sundry Creditors	7,191,522		-	
	<b>7,271,522</b>		<b>398,502</b>	

### Note 2.12

#### Other Non Current Liabilities & Current liabilities

Particulars	31 st March 2019		31 st March 2018	
	Currnet	Non Current	Currnet	Non Current
(i) Statutory Liabilities	-	-	290,104	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>290,104</b>	<b>-</b>

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

**Notes to financial statements for the year ended**  
**(All amounts in Rupees except for share data or otherwise stated)** (Amount in Rs. )

<b>Particulars</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
<b>Note 2.13</b>		
<b>Revenue from operations</b>		
Revenue from Sale of Goods		
Domestic Sales	-	-
Foreign Sales	-	-
Revenue from Sale of Services		
Domestic Services	10,775,380	7,126,903
Foreign Services		
<b>Total</b>	<b>10,775,380</b>	<b>7,126,903</b>
<b>Note 2.14</b>		
Other Income		
Interest Income	1,447,295	165,205
<b>Total</b>	<b>1,447,295</b>	<b>165,205</b>
<b>Note 2.15</b>		
Purchases	9,019,194	-
<b>Total</b>	<b>9,019,194</b>	<b>-</b>
<b>Note 2.16</b>		
<b>Employee Benefits Expense</b>		
Salaries and incentives	920000	1,668,774
Directors Remmuration	260000	-
Staff welfare expenses	-	-
<b>Total</b>	<b>1180000</b>	<b>1668774</b>

## SOPHIA TRAEXPO LIMITED

(Formerly Known as Sophia Finance Limited)

**Notes to financial statements for the year ended**  
**(All amounts in Rupees except for share data or otherwise stated)** (Amount in Rs. )

<b>Particulars</b>	<b>31-03-2019</b>	<b>31-03-2018</b>
<b>Note 2.17</b>		
<b>Other expenses</b>		
Man Power supply Cost	-	1,411,123
Electricity Charges	101,749	20,422
Office Expenses	86,064	38,875
Tours, Travelling and Conveyance Expenses	-	6,775
Printing & Stationery	12,675	44,330
Rent	743,040	495,360
Postage, Telephone and Internet	15,486	12,890
Processing Charges (BSC)	220,000	2,550,000
Bank Charges	1,690	1,498
Filing fees	500	13,800
Interest and Late Payment on Delay TDS	17,400	3,251
Legal Expenses	-	39,940
Pooja Expenses	2,359	1,770
Statutory Charges	-	18,250
Web site Expenses	6,892	35,457
BSE Limited	-	59,000
ROC Expense	14,400	603,600
Audit Fess	50,000	25,000
Advertisement Expenses	17,012	-
Consultancy fees	171,892	71,980
Service Charges	20,000	-
Other Petty Expense	18,019	-
<b>Total</b>	<b>1,499,178</b>	<b>5,453,321</b>

**SOPHIA TRAEXPO LIMITED**

CIN: L21000TG1983PLC113227

**Regd. Office:** Flat No.401, D.No. 6-3-1085/D, Dega Towers Raj Bhavan Road, Somajiguda Hyderabad, Telangana, 500082, India,

**FORM NO.MGT-11  
PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No./DP ID / Client ID	

I/We, being the Member(s) of \_\_\_\_\_ shares of **Sophia Traexpo Limited**, hereby appoint

(1) Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her

(2) Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her

(3) Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting on 30<sup>th</sup> day of September, 2019 at 3.00 p.m., Flat No.401, D.No. 6-3-1085/D, Dega Towers Raj Bhavan Road, Somajiguda Hyderabad Hyderabad TG 500082 IN, and at any adjournment thereof in respect of such resolutions as are indicated below:

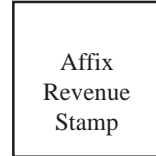
**Resolution No.**

1. To consider and adopt the audited Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors ('the Board') and Auditors thereon; and
2. To appoint a Director in place of Mr. Nageswara Rao Baluspati(DIN :07818953) who retires by rotation and being eligible, offers himself for re-appointment.

Signed this..... day of..... 20.....

Signature of shareholder:\_\_\_\_\_

Signature of Proxy holder(s):\_\_\_\_\_



**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**SOPHIA TRAEXPO LIMITED**

CIN: L21000TG1983PLC113227

**Regd. Office:** Flat No.401, D.No. 6-3-1085/D, Dega Towers Raj Bhavan Road,  
Somajiguda Hyderabad , Telangana, 500082, India.

**ATTENDANCE SLIPS**

(To be presented at the entrance)

I hereby record my presence at the 36<sup>th</sup> Annual General Meeting of the Company held at the Flat No.401, D.No. 6-3-1085/D, Dega Towers Raj Bhavan Road, Somajiguda Hyderabad ,Telangana, 500082, India, on Saturday, 30<sup>th</sup> September, 2019 at 03.00 p.m

Folio No	
Number of Shares held	
Name and address of the Shareholder (In block letters)	

1. I hereby record my presence at the 36<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 30th day of September, 2019 at 03:00 P.M. at Dega Towers Raj Bhavan Road, Somajiguda Hyderabad, Telangana, 500082.
2. Signature of the Shareholder / Proxy Present \_\_\_\_\_
3. Shareholder / Proxy Holder wishing to attend the meeting must bring the duly signed Attendance Slip to the meeting.
4. Shareholder/Proxy Holder attending the meeting is requested to bring his / her copy of the Annual Report.

# ROUTE MAP AGM

